

# Information Sheet

## "Show Me the Money"

Like many entrepreneurs, you may be thinking about getting financing for your Small Business. Here are a few questions to ask yourself so that you look for the right type of financing for your venture.

Where is my business now on its planned growth trajectory? What do I need money for? What financing options are available to me already?

With the answers to these questions in mind, please review the chart below and determine where you fit in the Financial Food Chain before you start asking others to "Show you the Money!"

Your stage in Corporate Growth Cycle	Type of Funding
<ul style="list-style-type: none"> <li>➤ Have a workable idea</li> <li>➤ Have a prototype</li> <li>➤ Have done the research</li> </ul>	Seed Financing, usually from personal resources
<ul style="list-style-type: none"> <li>➤ Have a few loyal customers</li> <li>➤ Management team ready</li> <li>➤ Business Plan Completed</li> </ul>	Start-Up Financing, from friends and family
<ul style="list-style-type: none"> <li>➤ Have regular paying customers</li> <li>➤ Desire to grow and a large enough market to appeal to an investor</li> <li>➤ Production &amp; Sales need a boost</li> </ul>	Angel Financing
<ul style="list-style-type: none"> <li>➤ Ramping up</li> <li>➤ Focus on break-even point</li> <li>➤ Sales &amp;/or Production &amp;/or Research needs a boost</li> </ul>	Venture Capital Financing
<ul style="list-style-type: none"> <li>➤ Strong customer base</li> <li>➤ Steady business Flow</li> <li>➤ Need to fund working capital &amp; expand production &amp; markets</li> </ul>	Growth Capital
<ul style="list-style-type: none"> <li>➤ Visionary expansion</li> <li>➤ Desire to achieve exponential growth</li> <li>➤ Past the break-even stage</li> <li>➤ More mature</li> </ul>	Mezzanine / Debt Financing
<ul style="list-style-type: none"> <li>➤ Profitable</li> <li>➤ Healthy revenue stream</li> <li>➤ Can cover tax payments, payroll, &amp; equipment financing</li> </ul>	Traditional Banking
<ul style="list-style-type: none"> <li>➤ Desire for public listing (stock exchange)</li> <li>➤ May require interim financing until Initial Public Offering (IPO)</li> <li>➤ Established business with high debt &amp; low equity capital</li> </ul>	Bridge Financing Buyout IPO (Public market)
<ul style="list-style-type: none"> <li>➤ Need to raise money, awareness, support for your business</li> <li>➤ People who believe in your idea will pledge money in return for a reward if your business succeeds</li> </ul>	Crowdfunding

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